



Paul D. Joyce, CPA  
State Examiner

# INDIANA STATE BOARD OF ACCOUNTS

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April 2, 2025

Charter School Board  
Timothy L. Johnson Academy, Inc.  
Allen County, Indiana

We have reviewed the supplemental report for the Timothy L. Johnson Academy, Inc. prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. In our opinion, the supplemental report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on page 3. Management's response is on page 5.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA  
Deputy State Examiner

Supplemental Audit Report of

**Timothy L. Johnson Academy, Inc.**  
Allen County, Indiana

July 1, 2023 to June 30, 2024



# Timothy L. Johnson Academy, Inc.

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## Table of Contents

	<b>Page</b>
<b>School Officials</b> .....	1
<b>Transmittal Letter</b> .....	2
<b>Audit Results and Comments:</b>	
Required Reports – Form 9 Reporting .....	3
Review of Capital Assets .....	3
Receipts and Deposits .....	3
<b>Exit Conference</b> .....	4
<b>Official Response</b> .....	5

**Timothy L. Johnson Academy, Inc.**  
**Allen County, Indiana**  
**School Officials**  
**July 1, 2023 to June 30, 2024**

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<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Larry Rowland	07/01/23 – 06/30/24
Superintendent, School Leader	Dawn Starks	07/01/23 – 06/30/24
Deputy Superintendent, Principal	Brad Yoder	07/01/23 – 06/30/24



# Donovan CPAs

The Board of Directors  
Timothy L. Johnson Academy, Inc.  
Fort Wayne, Indiana

We audited the financial statements of Timothy L. Johnson Academy, Inc. (the School) as of and for the year ended June 30, 2024 and issued our report thereon dated March 13, 2025. As part of our audit, we tested the School's compliance with provisions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* issued by the Indiana State Board of Accounts and related provisions of laws, regulations, contracts and grant agreements. Reported in the Audit Results and Comments are matters we believe the School was not in compliance with those provisions.

Donovan CPAs  
Indianapolis, Indiana  
March 13, 2025

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**Timothy L. Johnson Academy, Inc.**  
**Allen County, Indiana**  
**Audit Results and Comments**  
**July 1, 2023 to June 30, 2024**

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**Required Reports – Form 9 Reporting**

We reviewed the Form 9s covering the 2023-2024 school year. While total cash reported on the June 30, 2024 Form 9 agreed to cash reported on the financial statements, individual fund balances did not reflect actual balances in line with the School's accounting records. Balances for federal grant funds did not reflect amounts owed on those grants as of June 30, 2024.

A fund, as used in the manual, represents money set aside for specific activities of a school corporation. A fund constitutes a complete accounting entity and all financial transactions, both receipts and disbursements, are to be recorded in the fund to which they pertain. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 3)

Charter schools are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Charter schools shall file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

**Review of Capital Assets**

The School has not completed a complete physical inventory of capital assets as required within the last two years.

Every charter school must have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory must be recorded on the applicable Capital Asset Ledger. A complete inventory shall be taken for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 15)

**Receipts and Deposits**

We selected all receipts issued during the 2023-2024 school year for testing (six in total). Of the receipts tested, five were not deposited in a timely manner. Those receipts ranged from \$50 to \$4,595 and were deposited between 8 and 91 days late.

All charter school money must be deposited in the designated depository not later than the business day following the receipt of funds on business days of the depository in the same form in which the funds were received. Timely receipts and deposits are required to provide the organizer and charter school administration with current information necessary for all financial decisions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8).

**Timothy L. Johnson Academy, Inc.**  
**Allen County, Indiana**  
**Exit Conference**  
**July 1, 2023 to June 30, 2024**

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The contents of this report were discussed on March 13, 2025 with Dawn Starks (Superintendent, School Leader), Brad Yoder (Deputy Superintendent, Principal), Larry Rowland (President of the Board of Directors) and Brian Anderson (Consultant). The official response has been made a part of this report and may be found on page 5.



Timothy L. Johnson Academy  
4625 Werling Dr.  
Fort Wayne, IN. 46806  
260-441-8727

**March 13, 2025**

Donovan CPAs  
9292 N. Meridian Street, Suite 150  
Indianapolis, IN 46260

**Subject:** Response to Audit Findings

We appreciate your feedback and the opportunity to address the findings outlined in the FY2024 Supplemental Audit Report. Below are our responses and action plans to ensure compliance moving forward:

**Finding 1: Required Reports-Form 9 Reporting**

We acknowledge that individual fund balances did not fully align with the school's accounting records, particularly regarding federal grant funds. Ensuring accurate reporting is a top priority for us.

**Action Plan:**

1. Monthly Reconciliation: We are implementing a structured reconciliation process to ensure Form 9 reports reflect actual balances.
2. Internal Review: Before submission, reports will undergo a final review to verify alignment with financial statements.

**Timeline:**

These corrective actions will be fully in place before the next reporting period.

**Finding 2: Review of Capital Assets**

We recognize that a full physical inventory of capital assets has not been conducted in the past two years, which is necessary for internal control and financial accuracy.

**Action Plan:**

1. Inventory Completion: A complete physical inventory will be conducted, and the Capital Asset Ledger will be updated accordingly.
2. Annual Inventory Process: Moving forward, we will implement a structured review process to ensure compliance.

**Timeline:**

The full inventory will be completed by June 30, 2025, with annual reviews scheduled thereafter.

**Finding 3: Ticket Sales**

We acknowledge that we did not have a ticket sales procedure in place that met SBOA requirements.

**Action Plan:**

1. Revised Ticket Sales Procedures: We are implementing a process that aligns with SBOA requirements for tickets sales.

**Timeline:**

These procedural updates will be implemented immediately, with ongoing monitoring to ensure adherence.

We are confident that these steps will address the findings and help us maintain compliance with all applicable guidelines. Please let us know if further clarification or additional documentation is required.

Thank you for bringing these matters to our attention and for your continued support.

**Best regards,**

Dawn Starks  
Superintendent